

## House Resolution 884

By: Representatives Marin of the 96<sup>th</sup> and Mitchell of the 88<sup>th</sup>

## A RESOLUTION

1 Urging the United States Congress to study the FICA credit scoring system to determine  
2 what adjustments need to be implemented in order to avoid the adverse affect of lower scores  
3 on consumers during this economic downturn; and for other purposes.

4 WHEREAS, FICA scores (also referred to as FICO) are the most commonly used credit  
5 rating system by lenders and other creditors and a consumer's FICA score not only  
6 determines whether he or she receives a loan, but also how much of a loan and at what  
7 interest rate; and

8 WHEREAS, FICA scores are often used by mortgage companies, credit card companies,  
9 utility providers, apartment communities, and even employers in order to determine the  
10 credit worthiness or fitness of an applicant; and

11 WHEREAS, after compiling data such as the consumer's late payments, accounts in  
12 collection, current debt, and bill-payment history, the FICA score then compares this  
13 information to other consumers and assigns a numerical score to the borrower; and

14 WHEREAS, many consumers' FICA scores are being adversely impacted due to the current  
15 domestic and global economic downturn; and

16 WHEREAS, due to lost jobs, late payments, credit limit reductions or cancellations by credit  
17 card companies, and a host of other negative credit history examples, FICA scores for many  
18 consumers are trending lower; and

19 WHEREAS, this lowering of FICA scores results in consumers having their access to credit  
20 curtailed or eliminated which results in a further weakening of the economy; and

21 WHEREAS, in order to restore access to credit for many hard working consumers Congress  
22 should comprehensively study the FICA scoring system and determine how best to adjust the

23 system in order to alleviate the economic hardships caused by the spiraling downward trend  
24 in the scoring.

25 NOW, THEREFORE, BE IT RESOLVED BY THE GENERAL ASSEMBLY OF  
26 GEORGIA that this body does hereby urge the Congress of the United States to study the  
27 FICA scoring system used by creditors and make revisions as necessary to alleviate the  
28 economic hardships caused by the current economic crisis.

29 BE IT FURTHER RESOLVED that the Clerk of the House of Representatives is hereby  
30 authorized and instructed to transmit an appropriate copy of this resolution to each member  
31 of the Georgia Congressional Delegation.